

# **Employee Incentive Program Report**



**FY 2007 & 2008**

# **Biennial Review of the Employee Incentive Program**

**Fiscal Years 2007 & 2008**

**Report to the Montana Legislature**

**Prepared by  
Department of Administration  
State Human Resources Division**

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September 1, 2008

Montana State Legislature  
State Capitol  
Helena MT 59620

RE: Employee Incentive Program 2007/2008 Biennial Report

Legislators:

This is our report of the activity during fiscal years 2007 and 2008 for the State of Montana Employee Incentive Program. This report contains a list of award recipients that were granted incentive awards by state agencies, the amounts of the awards, and the resulting or projected savings and improvements in the effectiveness of state government. It also contains award recipients who received the Governor's Efficiency Award for State Employees, which is part of the overall Employee Incentive Award Program.

Joe Hamilton, PHR, and Hal Peck, PHR, Human Resource Consultants for the State Human Resources Division, coauthored and produced this report with the assistance of agency administrative staff. If you have questions about this report or general questions about the Employee Incentive Program, please contact Joe at 406-444-3884 or e-mail him at [jhamilton@mt.gov](mailto:jhamilton@mt.gov)

We commend these and other state employees who, through their ingenuity and dedication, help make state government work more effectively.

Respectfully submitted,

Peggy Davis  
State Human Resources Division, Bureau Chief

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## Program Background

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This report is the 2007 and 2008 review of the Employee Incentive Program.<sup>1</sup> It contains a list of incentive awards agencies granted during fiscal years 2007 and 2008 and the corresponding savings to the state or improvements in the effectiveness of state government.

The Employee Incentive Program recognizes and rewards individuals and teams of state employees as well as non-employees for innovations that significantly contribute to the efficiency, economy, or other improvements to state government. The Employee Incentive Program is abbreviated as EIP throughout this report. Agencies may present EIP awards in the form of money, paid leave or other forms of non-monetary recognition.

The program is a result of legislation enacted in 1993.<sup>2</sup> Each agency administers its own EIP. An agency head may choose to grant incentive awards and determine their monetary value. The general public may also submit ideas to improve government operations and become eligible to receive an incentive award.

The EIP also provides the basis for the Governor's Efficiency Award, which Governor Schweitzer created in May of 2005. The Governor's Efficiency award is abbreviated as GEA throughout this report. Agencies are encouraged to forward incentive award winners' names to the Governor's office as GEA nominees. The Governor's office selects GEA winners from a pool of incentive award recipients. GEA winners receive a palladium medal presented by the Governor's office in addition to any incentive award granted by the agency.

The current administration has actively promoted both the EIP and the GEA. In 2005, the Governor and Lieutenant Governor's offices published a brochure to help promote the program (See appendix B) and Stillwater Mine officials donated 12 palladium medals to be presented to GEA recipients.

State employees submitted ideas to both the EIP and GEA through an on line submission form available on the Montana Information Network for Employees (MINE) portal. The general public submitted ideas through the Governor's office web site. Appendix A provides a copy of the on-line form.

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<sup>1</sup> § 2-18-1103, MCA (2005).

<sup>2</sup> §2-18-1101, et seq., MCA (2005)

## Overview

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During the last two fiscal years, five agencies presented EIP awards. Three team and four individual awards were presented totaling 16 recipients. Cash awards totaled \$25,593.

Participating state agencies documented actual cash savings of \$389,660. Agencies' projected savings of \$302,000. Detailed information about award amounts and actual or projected savings follow.

## Summary for Fiscal Year 2007

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The Department of Natural Resources and Conservation presented one EIP award of \$6,000 for actual savings of \$61,000. Montana State Fund presented three EIP awards for a total of \$500 for actual savings of \$100,146.

Table 1 provides a summary of awards by agency, actual savings, and projected savings for those EIP recipients. Table 2 provides individual descriptions of EIP awards by agencies.

Three teams were recognized by Governor Schweitzer as recipients of the GEA. Table 3 provides a summary of recipients by agency including additional agency projected savings. Table 4 was reproduced as received from agency reports and provides individual descriptions of GEA recipients by agency. Some GEA recipients were awarded cash awards by their agencies through the EIP. Agency directors have the authority to present these awards per statute<sup>3</sup>.

## Summary for Fiscal Year 2008

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Four agencies presented awards: two group and two individual EIP awards. Ten people received a total of \$17,893 for group awards and two individual recipients received \$1200. The total awards were \$19,093. One agency realized savings over the projected \$110,635.

Table 5 provides a summary of awards by agency, actual savings, and projected savings for EIP recipients. Table 6 was reproduced as received from agency reports and provides individual descriptions of EIP awards by agency for recipients who received cash awards. There were no GEAs awarded in fiscal year 2008.

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<sup>3</sup> §2-18-1101, et seq., MCA (2005)

## Report for Fiscal Year 2007

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**Table 1**  
**Summary of Employee Incentive Program Awards**  
**Fiscal Year 2007**

<b>Agency</b>	<b>Recipients</b>	<b>Award Totals</b>	<b>Actual Savings</b>	<b>Projected Savings</b>
Montana State Fund	3	\$500	\$100,146	NA
Natural Resources and Conservation	1	\$6,000	\$61,000	NA

**Table 2**  
**Descriptions of Employee Incentive Program Award by Agency**  
**Fiscal Year 2007**

### **Montana State Fund**

**Recipients:** Cindy Rogers and Angela Volden

**Division or Work Unit:** Montana State Fund

**Date award presented:** September 8, 2006

**Award Amount:** \$250 each

**Description of how the idea eliminated or reduced agency expenditures or improved effectiveness of state government or improved agency services without increasing costs:**

The idea of purchasing a multiple printer output tray system with trays assigned to team members was approved by Team Leader and was included /approved in Team 5 2006 budget and has been implemented. The sorter tray for the printer allows each person's documents to go into a specific tray. This keeps the documents together and prevents duplicate printing. Lost documents requiring reprinting, as well as forgotten that never get mailed.

**Recipients:** LeahJo Tietz

**Division or Work Unit:** Montana State Fund

**Date award presented:** September 11, 2006

**Award Amount:** \$250

**Description of how the idea eliminated or reduced agency expenditures or improved effectiveness of state government or improved agency services without increasing costs:**

Leah introduced an idea called the Early Return to Work Packet to Team 5 and solicited Team input for ways to improve the Packet. The benefactor of Leah's initiative are the MSF Accounts that are able to reduce or eliminate unnecessary

time loss costs due to delays in communication and intentional or unintentional misinformation between worker, physicians and employers, or due to restrained management creativity in identifying transitional job opportunities. Developing the ERTW Packets and the Temporary Transitional Employment Idea Spreadsheets contribute MSF's Mission to be the industry leader in service as they are simply, affordable, effective tools that are being embraced by internal and external customers and are being used by Agencies to illustrate why MSF is the insurance carrier of choice.

### **Natural Resources and Conservation**

**Recipients:** Brad Erickson

**Division or Work Unit:** Water Rights Bureau

**Date award presented:** April 27, 2007

**Award Amount:** \$6,000

**Description of how the idea eliminated or reduced agency expenditures or improved effectiveness of state government or improved agency services without increasing costs:**

Improved effectiveness of state government by streamlining the water right claim review process. This was done without incurring any additional costs.

**Table 3**  
**Summary of Governor's Efficiency Awards**  
**Fiscal Year 2007**

<b>Agency</b>	<b>Recipients</b>	<b>Award</b>	<b>Actual Savings</b>	<b>Projected Savings</b>
Environmental Quality	Team	1 medal	NA	NA
Fish, Wildlife, & Parks	Team	1 medal	NA	\$30,000 annually
Labor and Industry	Team	1 medal	NA	\$50,000 annually



**Table 4**  
**Descriptions of Governor's Efficiency Awards by Agency**  
**Fiscal Year 2007**

**Department of Environmental Quality**

**Recipients:** Employees receiving special recognition for the efforts of their bureaus include Bonnie Lovelace and Jeff Ryan.

**Division or Work Unit:** Water Protection Bureau

**Date award presented:** October 16, 2006

**Award:** A palladium medal was presented to this bureau

**Description of how the idea eliminated or reduced agency expenditures or improved effectiveness of state government or improved agency services without increasing costs:**

This agency collaborated with Fish, Wildlife & Parks in streamlining the permitting process for 318 Authorizations.

**Department of Fish, Wildlife, & Parks**

**Recipients:** Employees receiving special recognition for the efforts of their bureaus include Glenn Phillips.

**Division or Work Unit:** Habitat Protection Bureau

**Date award presented:** October 16, 2006

**Award:** A palladium medal was presented to this bureau

**Description of how the idea eliminated or reduced agency expenditures or improved effectiveness of state government or improved agency services without increasing costs:**

318 Authorizations are short-term permits that determine acceptable limits for sediment and turbidity for stream construction and enhancement projects. Prior to the changes, an applicant could not receive a 318 permit from FWP, although FWP was present at the time the local conservation district considered the project. Under the streamlined program, 318 Authorizations can now be issued on the spot by FWP in their regional offices. The streamlined process also involves better coordination with local conservation districts, who must sign off on projects. The streamlined process has an estimated savings of \$30,000 per year and has nearly doubled compliance.

**Department of Labor and Industry**

**Recipients:** Grace Berger, Teri Ray, and Barb McAlmond

**Division or work unit:** Business Standards Division's Board of Realty Regulation

**Date award presented:** July 25, 2006

**Award:** A palladium medal was presented to this team

**Description of how the idea eliminated or reduced agency expenditures or improved effectiveness of state government or improved agency services without increasing costs:**

The Board of Realty Regulation produces over 1,000 to 1,500 pieces of paper nine times a year, in binders that weigh nearly 12 pounds to each of its five board members at a total biennial cost of \$9,970. By scanning the documents on to compact disc, the Board has exercised a conservation measure that will experience an estimated cost savings of nearly \$50,000 annually.

**Report for Fiscal Year 2008**

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**Table 5**  
**Summary of Employee Incentive Program Awards**  
**Fiscal Year 2008**

<b>Agency</b>	<b>Recipients</b>	<b>Award Totals</b>	<b>Actual Savings</b>	<b>Projected Savings</b>
Agriculture	1	\$200	NA	\$2,000
Labor and Industry	7	\$16,993	\$110,635	\$300,000
Montana State Fund	1	\$1,000	106,000	NA
Office of Public Instruction	3	\$900	\$11,879	NA

**Table 6**  
**Descriptions of Individual Employee Incentive Program Awards by Agency**  
**Fiscal Year 2008**

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**Department of Agriculture**

**Recipients:** Robert Bales

**Division or Work Unit:** Agricultural Sciences Division

**Date award presented:** March 5, 2008

**Award Amount:** \$200

**Description of how the idea eliminated or reduced agency expenditures or improved effectiveness of state government or improved agency services without increasing costs:**

Recommended the development of a pamphlet to be sent with the Nurseryman's License annual reminders explaining importing regulations. This pamphlet helps remind nurseries of the expectations allowing them to keep more products for distribution and maintain pest free products for sale in Montana.

## **Department of Labor and Industry**

**Recipients:** Grace Berger, Barbara McAlmond, Teri Ray

**Division or Work Unit:** Business Standards Division

**Date award presented:** September 14, 2007

**Award amount:** \$6,150

**Description of how the idea eliminated or reduced agency expenditures or improved effectiveness of state government or improved agency services without increasing costs:**

The Board of Realty Regulation produces over 1,000 to 1,500 pieces of paper nine times a year, in binders that weigh nearly 12 pounds to each of its five board members at a total biennial cost of \$9,970. By scanning the documents on to compact disc, the board has exercised a conservation measure that will see an estimated cost savings of nearly \$50,000 annually.

**Recipients:** Casey Greenwood, Judy Kelly, Don Peterson, Amber Lamping

**Division or Work Unit:** Centralized Services Division

**Date award presented:** February 1, 2008

**Award amount:** \$10,843

**Description of how the idea eliminated or reduced agency expenditures or improved effectiveness of state government or improved agency services without increasing costs:**

Developed an electronic performance appraisal system.

## **Montana State Fund**

**Recipients:** Michael Phyllaier

**Division or Work Unit:** Montana State Fund

**Date award presented:** June 26, 2008

**Award amount:** \$1,000

**Description of how the idea eliminated or reduced agency expenditures or improved effectiveness of state government or improved agency services without increasing costs:**

Claims Examiner facilitated increased use of lower cost generic drugs for worker's compensation through clarification of generic drug use policy.

## **Office of Public Instruction**

**Recipients:** Susan Court

**Division or Work Unit:** Health Enhancement and Safety

**Date award presented:** March 31, 2008

**Award amount:** \$500

**Description of how the idea eliminated or reduced agency expenditures or improved effectiveness of state government or improved agency services without increasing costs:**

Presented four - six hour workshops provide an update to the Health Enhancement Standards and demonstrate activities appropriate to small classrooms for Small School Alliance meetings. The recipient traveled to Butte, Bozeman, Lewistown and Great Falls, presenting the workshop to over 100 administrators and teachers. The service provided a professional and engaging learning experience which reflected the reputation of OPI as being responsive to needs throughout the state. OPI does not have a Health Enhancement Specialist that would normally have the skills and education to fulfill this requirement. Cost savings of \$4,500 for in-kind services.

**Recipients:** Maxine Mougeot and Lynnette Geske

**Division or Work Unit:** Information Technology, State Distribution to Schools (School Finance)

**Date award presented:** April 7, 2008

**Award amount:** \$400

**Description of how the idea eliminated or reduced agency expenditures or improved effectiveness of state government or improved agency services without increasing costs:**

Converted the paper based transportation data collection and payment system to a web-based program. Prior to this re-write, each school district submitted six different transportation forms to OPI for input into our system. The recipients devoted a tremendous amount of planning, thought and time to make the program work well and be user friendly. There are several validation checks and reports to help users submit an accurate claim for payment. Cost savings are related to the transition to implementing and submitting data electronically as well as paper forms no longer being printed and postage elimination. Conservative cost savings for this shared award are: \$6760.00 per year for extra help and overtime and \$619 in postage per year. Schools also receive a significant administrative and postage savings but the amount is not known. Improvement is also realized for schools according to MCA 2-18-1105(b).

## **Appendix A**

Appendix A is the EIP Suggestion Form. To view the form on line, see <https://app.mt.gov/governor/ideas/docs/ideas.pdf>

## **Appendix B**

Appendix B is the brochure used to promote the GEA and EIP. To view this brochure on line, see <https://app.mt.gov/governor/ideas/docs/brochure.pdf>